

MT LEGISLATIVE HISTORY

Chapter 499 1983

Bill H 615 S _____

Original bill & hist. C

H. Committee on Natural Resources

S. Committee on Natural Resources

Hearing Date(s) Feb 02 ✓ C

Hearing Date(s) Mar 04 ✓ C

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_____ C

Date Out Feb 02 ✓ C

Mar 04 ✓ C

Did this bill originate in an interim committee? Yes No

Committee _____

Report _____

STATUS SHEET

HOUSE NATURAL RESOURCES COMMITTEE

Page 4

48 Legislature

Bill No.	Subject Matter	Date In	Sponsor	Hearing Date	Committee Action	Date Out
HB 373	Reestablishes the Board of Water Well Contractors; establishes rules on the disclosure of water well construction	1/19	Marks	2/7	AND AS AMENDED DO PASS	2/16
HB 391	Requires that if the Board of Land Comm. adopts rules to establish the market value of surface licenses and leases it adopt a method of valuation, etc.	1/19	Stobie	2/2	AND AS AMENDED DO PASS	2/9
HB 436	Removes the confidentiality of reports of stratigraphic test wells filed with the Board of Oil and Gas Conservation	1/21	Harp	1/28	AND AS AMENDED DO PASS	1/28
HB 472	Generally revises the hard-rock mining impact laws	1/26	D. Brown	2/4	AND AS AMENDED DO PASS	2/9
HB 615	Authorizes State Lands to waive civil penalties for minor violations of the Montana Strip and Underground Mine Siting Act and requires the Board, etc.	2/2	Holliday	2/7	AND AS AMENDED DO PASS STATEMENT OF INTENT	2/7
HB 616	Provides that the obligation to make payments to royalty owners is of the essence in oil and gas leases; requires interest to be paid; etc.	2/2	Holliday	2/7	AND AS AMENDED DO PASS	2/7

REPRESENTATIVE GAY HOLLIDAY said she would like to go on record as favoring the bill.

There were no opponents.

REPRESENTATIVE MARKS closed.

Questions were asked by the committee.

Rep. McBride asked if there were currently inspectors in the field and Mr. Lindsay responded there is a part-time inspector connected with the Board. He said they have enough money promised this year so they can run one full time. Rep. McBride asked where they get the authorization to pay for someone like that. Mr. Lindsay replied they have the right to hire what their budget allows.

Rep. Addy asked why the Board was being sunsetted. Rep. McBride said it was a law passed in 1977 that all occupational boards will sunset in a six year cycle. This is the first time for this board. Rep. Addy asked what would happen to the state of Montana if there wasn't any such board. Rep. Quilici said there are a lot of water well contractors that could tell you explicitly what would happen. Mr. Morse responded that there would be a lot of fly-by-night drillers. He said the purpose of the Board is to improve the industry and protect the general public. He felt they had been quite successful.

Rep. Addy asked what specific evil would be inflicted on the public without this Board. Rep. Iverson said their most important function is the protection of the ground water. He said there is potential problems for aquifers and pollutions entering and destroying the water quality. He said the board should have more authority.

Chairman Harper closed the hearing on HB 373 and opened the meeting to a hearing on HB 615.

HOUSE BILL 615

REPRESENTATIVE GAY HOLLIDAY, District 46, chief sponsor, said the bill was at the request of the Department of State Lands. She said the bill would authorize the Department of State Lands to waive civil penalties for minor violations of the Strip and Underground Mine Siting Act. This could be done only if the violation does not pose potential harm to public health, safety or the environment. She passed to the members copies of a suggested intent statement and a copy of this is Exhibit 1.

House Natural Resources Committee Minutes

February 7, 1983

Page 3

DENNIS HEMMER, Department of State Lands, spoke next in support, and a copy of his testimony is Exhibit 2.

JAMES D. MOCKLER, Montana Coal Council, spoke in support.

KENNETH WILLIAMS, Western Energy Company, spoke next in support. A copy of his testimony is Exhibit 3 of the minutes.

TIM STEARNS, Northern Plains Resource Council, spoke next in support. He said this was a fine opportunity for them to testify on the same side as the coal industry. He said they are concerned about the major problems and not the minor ones. He said they favor giving the department more flexibility. He said they would like to know how the rule making will establish the difference between a major and a minor violation.

There were no opponents.

REPRESENTATIVE HOLLIDAY closed.

Questions were asked by the committee.

Rep. Bertelsen asked if there was a time frame for making rules to define a major and a minor violation. Mr. Hemmer said until October 1. He said the distinction between the two would be based on harm to the environment, public safety and negligence on the part of the operator.

Rep. McBride asked if it were the intent that the department will make the distinction in the rules and say specifically these are minor violations that could be waived. Mr. Hemmer said they would have a system for evaluating. He said the federal government uses a point system which he didn't know if they would adopt or not.

Rep. McBride asked if this would mean the same violation would be treated uniformly for all. Mr. Hemmer said that is why rules will be laid out as there could be circumstances when a violation might be minor but you may need to go ahead and have the penalty.

Chairman Harper closed the hearing on this bill and opened the meeting to a hearing on HB 616.

HOUSE BILL 616

REPRESENTATIVE GAY HOLLIDAY, District 46, chief sponsor, said this is a bill to improve the legal position of lessees in oil and gas leases. It will incorporate a provision to assess a

penalty for delinquent payments. The only recourse for delinquent payments now is through the courts. She said Mr. Hemmer has some suggested amendments and she would support those amendments.

DENNIS HEMMER, Department of State Lands, spoke in support of the bill. A copy of his testimony is Exhibit 4 and Exhibit 5 is a copy of the suggested amendments.

MIKE STEPHEN, Montana Association of Counties, said this bill would be beneficial and would assist the court situation. He said many eastern counties are recipients of oil royalties.

TERRY MURPHY, Montana Farmers Union and Farm Bureau, said they support the bill and he was also speaking for PAT UNDERWOOD of the Farm Bureau.

REPRESENTATIVE GAY HOLLIDAY closed.

There were no questions from the committee.

Chairman Harper closed the hearing on this bill and as the sponsor of HB 630 was not present, he opened the meeting to executive action on the following bills.

EXECUTIVE SESSION

HOUSE BILL 616 Rep. Jensen moved the amendments suggested by the Department of State Lands. This motion carried unanimously with those present (absent were Reps. Neuman and Nordtvedt). Rep. Jensen then moved that the bill AS AMENDED DO PASS. This motion carried unanimously with those present (same absent).

HOUSE BILL 615 Rep. Metcalf moved the bill be amended to include a July 1 effective date. This motion carried unanimously with those present (same absent). Rep. Mueller moved the bill AS AMENDED DO PASS and this motion carried unanimously with those present (same absent). Rep. Quilici moved that the statement of intent be adopted. This motion also carried unanimously with those present.

HOUSE BILL 373 Rep. Iverson moved DO PASS. Rep. McBride said there is another bill dealing with this and she requested this bill be held until the other bill was heard. She said the other bill was requested by the audit committee and would place the licensing under the Department of Natural Resources and it would be a DNRC advisory board.

Rep. McBride said she agreed directly involved people should be involved with their industry yet sometimes these occupational boards have become protectors of their own industry first and the protection of the public interest comes second. She said she felt there should be a single occupational bill saying we want our industry run the way the legislature wants. She said

TO: HOUSE NATURAL RESOURCES COMMITTEE

FROM: JOHN CARTER

RE: HOUSE BILLS 373, 615, 616, 630

DATE: February 7, 1983

HB 373 This bill seeks to reestablish the Board of Water Well
Marks Contractors for a period of six years. The Board is
 presently scheduled to terminate on July 1, 1983. The
 bill would also make the following changes in the
 laws regulating water well drilling:

- eliminate the set fees charged for issuance and renewal of water well licenses - fees would be set by the Board;
- increase the bonding requirement for licensees from \$1,000 to \$4,000;
- give discretion to the Board to require persons bringing complaints against licensees to do so in person - presently such persons must appear before the Board; and
- add a reciprocity provision that entitles well contractors licensed in other states to obtain a Montana license without satisfying examination and apprenticeship requirements.

HB 615 This bill seeks to authorize the Department of State
Holliday Lands to waive civil penalties for minor violations of
 the Strip and Underground Mine Siting Act. A waiver,
 however, could only be granted if the violation does
 not pose potential harm to public health, public safety,
 or the environment.

HB 616 This bill seeks to improve the legal position of lessees
Holliday in oil and gas leases. Specifically the bill would:

- make royalty payments under oil and gas lease "of the essence";
- require lessors to pay interest on unpaid royalties in certain cases;
- authorize a royalty owner to bring an action for cancellation of lease for nonpayment of royalties; and
- provides for an award of attorney fees if the royalty ~~action~~ ^{owner} prevails in an action to cancel a lease.

HB 630 This bill seeks to authorize ^{political} potential subdivisions of
Donaldson the state to adopt land use regulations for the manage-
 ment of flood plains within deregulated sheetflood areas.

VISITOR'S REGISTER

HOUSE NATURAL RESOURCES

COMMITTEE

BILL HB 615

DATE 2/7

SPONSOR HOLLIDAY

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

STATEMENT OF INTENT
House Bill 615
House Natural Resources Committee

A statement of intent is required for this bill because it grants rulemaking authority to the Board of Land Commissioners for the issuance of waivers of civil penalties for minor violations of the Strip and Underground Mine Siting Act.

Section 1 of the bill allows the Board to adopt rules concerning the issuance of waivers for civil penalties if the underlying violation does not pose potential harm to public health, public safety, or the environment or impair administration of the Act. It is the legislature's intent that the Board's rules prescribe specific criteria that will be used by the Department of State Lands in determining whether or not a violation poses potential harm to the public health, public safety, or the environment or threatens to impair the administration of the Siting Act. The rules must also establish a procedure for the issuance of waivers which must include a requirement that the Department of State Lands give notice of the violation and waiver to the permittee and place such notice in the permittee's file kept by the department.

WITNESS STATEMENT

Name Dennis Hemmer Committee On Natural Resources
Address Helena Date 2-7-83
Representing Dept of State Lands Support ✓
Bill No. 615 Oppose _____
Amend _____

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1.

2.

3.

4.

Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

DEPARTMENT OF STATE LAND'S TESTIMONY ON HOUSE BILL 615

BEFORE THE HOUSE NATURAL RESOURCES COMMITTEE

House Bill 615 is at the request of the Department of State Lands. The purpose of the bill is to allow the department to waive civil penalties for minor violations of the Strip and Underground Mine Reclamation Act.

In 1979, Montana amended its existing strip mine reclamation law and adopted a comprehensive set of rules. This was done to comply with federal legislation and prevent the federal government from taking over Montana's reclamation program. Many of the rules adopted at that time are beneficial, but of a technical nature and a violation of such rules does not necessarily endanger the environment or hinder the reclamation of the mined land as long as the problem is corrected within a reasonable time.

As currently written, the act requires that a civil penalty be assessed against a mine operator for every violation of the law or rules. As an example, the rules require that signs be placed on topsoil stockpiles to identify the material. As the law currently exists, if a sign falls down a violation exists and a civil penalty must be assessed. Under this bill, the department could simply warn the mine operator that the sign must be put back up. If the mine operator heeds the warning, no civil penalty would be assessed. On the other hand, if a mine operator fails to save topsoil, this is a serious problem and a civil penalty should be assessed. Failure to salvage topsoil has the potential to hinder reclamation efforts.

Administrative rules would be necessary to provide a procedure for determining when a penalty should be waived. In this regard, the state must be careful that the process and procedure is acceptable to the federal government. If it does not meet federal requirements, Montana could lose its program and the program would be taken over by the Department of Interior.

In summary, this bill will allow the department to be more equitable in assessing civil penalties against mine operators and will not harm the environment or endanger reclamation. The authority to adopt rules is necessary to provide a procedure and to ensure that the program will be acceptable to the federal government.

The department urges the committee to approve this bill.

WITNESS STATEMENT

Name James D. Mockler Committee On Nat Res.
Address 2301 Colonial Date 2/7
Representing MT. Coal Council Support ✓
Bill No. HB 615 Oppose _____
Amend _____

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1.

2.

3.

4.

Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

WITNESS STATEMENT

Name Kenneth Williams Committee On Natural Resources
Address 107 E Granite, Butte MT Date 2/7
Representing Western Energy Support ✓
Bill No. HB 615 Oppose _____
Amend _____

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. support flexibility for Dept.

2. will avoid unnecessary expense & paperwork

3. benefit both the Dept. and the operator

4.

Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

TESTIMONY OF
KENNETH WILLIAMS FOR
WESTERN ENERGY CO.
BEFORE
HOUSE COMMITTEE ON NATURAL RESOURCES
2/7/83

The purpose of my testimony is to speak in favor of House Bill 615.

Western Energy Company supports the Department of State Lands' desire to have administrative flexibility in dealing with violations. We would like to stress that this bill does not reduce the number of violations, but gives the Department the option to waive civil penalties for minor violations. Additionally, rule making will define the procedures for dealing with these situations.

Such an option will grant the Department needed flexibility in dealing with minor violations such as the case of a topsoil sign which has fallen down. Presently such a situation would result in the Department issuing a Notice of Violation, the operator responding and the Department assessing a penalty. Much administrative and legal expense is incurred by both the Department and the operator. Adopting this bill would reduce paperwork for both parties. Western urges the passage of House 615.

STANDING COMMITTEE REPORT

February 7,

19 83

SPEAKER:

MR.

NATURAL RESOURCES

We, your committee on

having had under consideration HOUSE Bill No. 615

First reading copy (white color)

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE DEPARTMENT OF STATE LANDS TO WAIVE CIVIL PENALTIES FOR MINOR VIOLATIONS OF THE MONTANA STRIP AND UNDERGROUND MINE SITING ACT AND REQUIRING THE BOARD OF LAND COMMISSIONERS TO ADOPT RULES TO IMPLEMENT WAIVER OF PENALTIES; AMENDING SECTION 82-4-254, MCA."

Respectfully report as follows: That HOUSE Bill No. 615
be amended as follows:

1. Page 5,
Following: line 23
Insert: "NEW SECTION. Section 2. Effective date. This act is effective July 1, 1983."

AND AS AMENDED
DO PASS

XXXXX
STATEMENT OF INTENT ATTACHED

MR. SPEAKER:

WE, YOUR COMMITTEE ON NATURAL RESOURCES, HAVING UNDER
CONSIDERATION HOUSE BILL NO. 615, FIRST READING COPY (WHITE),
ATTACH THE FOLLOWING STATEMENT OF INTENT:

STATEMENT OF INTENT
HOUSE BILL No. 615

A statement of intent is required for this bill because it grants rulemaking authority to the Board of Land Commissioners for the issuance of waivers of civil penalties for minor violations of the Strip and Underground Mine Siting Act.

Section 1 of the bill allows the Board to adopt rules concerning the issuance of waivers for civil penalties if the underlying violation does not pose potential harm to public health, public safety, or the environment or impair administration of the Act. It is the legislature's intent that the Board's rules prescribe specific criteria that will be used by the Department of State Lands in determining whether or not a violation poses potential harm to the public health, public safety, or the environment or threatens to impair the administration of the Siting Act. The rules must also establish a procedure for the issuance of waivers which must include a requirement that the Department of State Lands give notice of the violation and waiver to the permittee and place such notice in the permittee's file kept by the department.

HAL HARPER

Chairman.

COMMITTEE ON SENATE NATURAL RESOURCES

HOUSE BILL NO.	ENTERED COMM.	DATE CONSIDERED	OUT OF COMM.	DO PASS <u>DATE</u>	DO NOT PASS <u>DATE</u>	DO PASS AS AMEND. <u>DATE</u>	BE CON- CURRED IN <u>DATE</u>	BE CONC. IN AS AMENDED <u>DATE</u>	BE NOT CON CURRED IN <u>DATE</u>
HB 324	2-03-83	3-11-83	3-11-83				3-11-83		
HB 352	2-05-83	3-09-83	3-09-83				3-09-83		
HB 373	3-01-83	3-14-83	3-14-83				3-14-83		
HB 391	2-16-83	3-02-83	3-07-83					3-07-83	
HB 436	2-04-83	3-09-83	3-09-83				3-09-83		
HB 472	3-02-83	3-14-83	3-14-83				3-14-83		
HB 520	2-17-83	3-02-83	3-02-83				3-02-83		
HB 615	2-12-83	3-04-83	3-04-83					3-04-83	
HB 630	2-16-83	3-02-83	3-02-83				3-02-83		

Use a separate sheet for Senate, House Bills, and Resolutions.

48TH LEGISLATIVE SESSION

MINUTES OF
NATURAL RESOURCES COMMITTEE
MONTANA STATE SENATE

March 4, 1983

A regularly scheduled meeting of the Senate Natural Resources Committee was called to order by Senator Harold L. Dover, Chairman, on Friday, March 4, 1983 at 1:00 p.m. in Room 405, State Capitol.

ROLL CALL: Roll was called with a quorum of members being present, Senator Keating was excused.

HOUSE BILL 615: Chairman Dover opened the hearing and called on Rep. Gay Holliday, Dist. 46, Roundup, sponsor. She stated the bill is to authorize the Dept. of State Lands to waive civil penalties for minor violations of the Montana Strip and Underground Mine Siting Act, and asked Dennis Hemmer of the Dept. of State Lands to further explain the bill.

PROPOSERS: Dennis Hemmer, Commissioner of State Lands spoke on behalf of the bill, stating it was entered at their request. He stated many of the rules are beneficial, however are severe for minor violations. He gave an example of rules that require signs on topsoil stockpiles, and if a sign falls down, a violation exists and a civil penalty must be assessed. With this bill a warning could be given in minor cases and the penalty assessed for serious violations. His testimony is attached as Exhibit '1'.

Jim Mockler, Montana Coal Council, spoke in support of the bill, stating operators that have minor violations such as a sign fallen down should not be penalized, and the bill would still allow for penalties to be assessed against bad operators for serious violations.

Kenneth Williams, representing Western Energy Company stated they also desire the flexibility allowed for the Dept. of State Lands in dealing with minor violations, which involves much administrative and legal expense. His testimony is attached as Exhibit '2'.

Tim Stearns, Northern Plains Resource Council, also spoke in support, stating their only concern would have been the distinction between minor and major violations, which are to be dealt with in rulemaking, and they felt it would improve the act. His testimony is attached as Exhibit '3'.

HB 615 (cont.)

Chairman Dover called for opponents. There were none. It was then suggested by Rep. Holliday and Dennis Hemmer that some minor corrections be made to the bill by amendment. Those were read by Howard Johnson, Environmental Quality Council staff as follows: The statement of intent needs to be amended to read "reclamation" rather than "siting", as well as the language in the bill. Amend statement of intent, Page 1, line 9, strike: "Siting", insert: "reclamation", and Page 1, line 19. following "of the" strike "Siting" and insert "Strip and Underground Mine Reclamation". Amendment to the bill is to be Title, Line 7. Following "MINE" strike "SITING" and insert "RECLAMATION". Senator Van Valkenburg moved these amendments. Vote was called and all voted 'aye', motion carried. Senator Eck moved that HB 615 Be Concurred In as amended, vote was called, all voted 'aye' and motion carried. It was requested that Senator Galt carry the bill on the floor.

HOUSE BILL 305: Chairman Dover called on Rep. Harp, Dist. 19, Flathead Co. sponsor of the bill. Rep. Harp stated this is a requested increase in the amount of timber subject to the 10 day advertisement period, from 200,000 board feet to 1 Million board feet. It is requested because in cases of emergency such as insect blight or fires, removal needs to be made quickly and a later time period for removal decreases the value of the timber. The money from this sale goes to the school programs, and it would be good to be able to give the maximum value to the schools. At the present time there is a problem of time delay of 30-90 days which involves a great deal of paperwork and advertisement by the State Lands Board.

PROPOSERS. Dennis Hemmer, Commissioner of State Lands, spoke in favor of the bill, stating it was requested by their department. He stated quick removal of the timber allows it to be sold at green price rather than dry price, and gives an increase in value. His testimony is attached as Exhibit '4'.

Keith Olson, Montana Logging Association, stated they support the statements made by Rep. Harp and Mr. Hemmer. The increase in the number of board feet would also allow cost savings, as it costs nearly the same for a logging contractor to set up for 200,000 board feet as 1 million board feet. The same is true for the advertisement costs. He stated that Mr. Holding had another meeting and couldn't attend, but wished to enter his support as well.

Chairman Dover called for opponents. There were none.

ROLL CALL

SENATE NATURAL RESOURCES COMMITTEE

48th LEGISLATIVE SESSION -- 1983

Date March 4, 1983

NAME	PRESENT	ABSENT	EXCUSED
ECK, Dorothy (D)	✓		
HALLIGAN, Mike (D)	✓		
KEATING, Thomas F. (R)			✓
LEE, Gary P. (R)	✓ /atc		
MANNING, Dave (D)	✓		
MOHAR, John (D)	✓		
SHAW, James N. (R)	✓		
STORY, Pete (R)	✓ /atc.		
TVEIT, Larry J. (R)	✓		
VAN VALKENBURG, Fred (D)	✓		
ETCHART, Mark (R) Vice Chairman	✓		
DOVER, Harold L. (R) Chairman	✓		

VISITORS' REGISTER

[illegible]

(Please leave prepared statement with Secretary)

DEPARTMENT OF STATE LANDS TESTIMONY ON HOUSE BILL 615

BEFORE THE SENATE NATURAL RESOURCES COMMITTEE

House Bill 615 is at the request of the Department of State Lands. The purpose of the bill is to allow the department to waive civil penalties for minor violations of the Strip and Underground Mine Reclamation Act.

In 1979, Montana amended its existing strip mine reclamation law and adopted a comprehensive set of rules. This was done to comply with federal legislation and prevent the federal government from taking over Montana's reclamation program. Many of the rules adopted at that time are beneficial, but of a technical nature and a violation of such rules does not necessarily endanger the environment or hinder the reclamation of the mined land as long as the problem is corrected within a reasonable time.

As currently written, the act requires that a civil penalty be assessed against a mine operator for every violation of the law or rules. As an example, the rules require that signs be placed on topsoil stockpiles to identify the material. As the law currently exists, if a sign falls down, a violation exists and a civil penalty must be assessed. Under this bill, the department could simply warn the mine operator that the sign must be put back up. If the mine operator heeds the warning, no civil penalty would be assessed. On the other hand, if a mine operator fails to save topsoil, this is a serious problem and a civil penalty should be assessed. Failure to salvage topsoil has the potential to hinder reclamation efforts.

Administrative rules would be necessary to provide a procedure for determining when a penalty should be waived. In this regard, the state must be careful that the process and procedure is acceptable to the federal government. If it does not meet federal requirements, Montana could lose its program and the program would be taken over by the Department of Interior.

Also, the Committee should be aware that an error was made in the Statement of Intent. On lines 9 and 19 the statement refers to the Strip and Underground Mine Siting Act. The reference should be to the Strip and Underground Mine Reclamation Act.

In summary, this bill will allow the department to be more equitable in assessing civil penalties against mine operators and will not harm the environment or endanger reclamation. The authority to adopt rules is necessary to provide a procedure and to ensure that the program will be acceptable to the federal government.

The department urges the committee to approve this bill.

NAME Dennis Hemmer BILL NO. 615
ADDRESS Helena DATE 3-4-83
WHOM DO YOU REPRESENT Dept of State Lands
SUPPORT _____ OPPOSE _____ AMEND ✓

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

The bill should reference the Strip and
Underground Mine Reclamation Act rather
than the Mine Siting Act

DATE: 3/4/83

ADDRESS: 2301 Colonial Dr

PHONE: 442-6223

REPRESENTING WHOM? Mt. Coal Council

APPEARING ON WHICH PROPOSAL: HB 213

DO YOU: SUPPORT? ✓ AMEND? ✓ OPPOSE?

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

TESTIMONY OF
KENNETH WILLIAMS FOR
WESTERN ENERGY CO.

BEFORE

SENATE COMMITTEE ON NATURAL RESOURCES

3/4/83

Mr. Chairman, Members of the Committee, My name is Kenneth Williams of Butte, MT. representing Western Energy Company. The purpose of my testimony is to speak in favor of House Bill 615.

Western Energy Company supports the Department of State Lands' desire to have administrative flexibility in dealing with violations. We would like to stress that this bill does not reduce the number of violations, but gives the Department the option to waive civil penalties for minor violations. Additionally, rule making will define the procedures for dealing with these situations.

Such an option will grant the Department needed flexibility in dealing with minor violations such as the case of a topsoil sign which has fallen down. Presently such a situation would result in the Department issuing a Notice of Violation, the operator responding and the Department assessing a penalty. Much administrative and legal expense is incurred by both the Department and the operator. Adopting this bill would reduce paperwork for both parties. Western urges the passage of House 615.

NAME: Ken Williams DATE: 3/4/83

ADDRESS: 107 East Granite - Butte, MT.

PHONE: * 723-4349

REPRESENTING WHOM? Western Energy

APPEARING ON WHICH PROPOSAL: AB 615

DO YOU: SUPPORT? X AMEND? _____ OPPOSE? _____

COMMENTS: Attached testimony

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

NAME: Tim Stearns DATE: 3/4/83

ADDRESS: Box 858 Helena, MT

PHONE: 443-4965

REPRESENTING WHOM? NPRC

APPEARING ON WHICH PROPOSAL: HB 615

DO YOU: SUPPORT? X AMEND? OPPOSE?

COMMENTS: HB 615 is bill which will improve
the stripmine act. It will give ASL more
flexibility to enforce the law. It will also
give mining companies the opportunity to
correct minor problems without facing
penalties.

Our only concern is the distinction between
minor and major which will be dealt with
in rulemaking.

Civil penalties should only be assessed for
major problems. Minor problems can be dealt
with in good faith.

MR. **PRESIDENT:**

NATURAL RESOURCES

We, your committee on

having had under consideration **Statement of Intent,** **HOUSE** Bill No. **615**

Respectfully report as follows: That **Statement of Intent,** **HOUSE** Bill No. **615**

be amended as follows:

1. Page 1, line 9.

Strike: "Siting"

Insert: "Reclamation"

2. Page 1, line 19.

Following: "of the"

Strike: "Siting"

Insert: "Strip and Underground Mine Reclamation"

And, as so amended,

BE CONCURRED IN

~~DEPOSE~~

HC

March 4 19 83

MR. **PRESIDENT:**

We, your committee on **NATURAL RESOURCES**

having had under consideration **HOUSE** Bill No. **615**

Holliday (Galt)

Respectfully report as follows: That **HOUSE** Bill No. **615**

third reading, be amended as follows:

1. Title, line 7.

Following: "MINE"

Strike: "SITING"

Insert: "RECLAMATION"

and, as so amended,

BE CONCURRED IN

~~DOXXX~~